Approved For Release 2002/0905 CARDP63-00313A000600060032-5

CHAL-1059-60 Copy 7 of 7

11 333 1960

MEMORANDEM FOR: Deputy Director (Plans)

BULLECT

: Project CHALICE

Security Assessment, Revision

- 1. The purpose of this memorandum is to revise paragraph 5 of CHAL-0902-60, "Project CHALICE Security Assessment" dated 11 May 1960, which paragraph enumerated those matters which should continue to be classified CHALICE. Paragraph 3 of this monorandum contains a recommendation for your approval.
- 2. The following items represent a change of posture as regards the security of Project CHALICE:
 - a. Subparagraph 5k of CMAL-0982-60 recommended that utilization of the J-75 engine in the U-2 siroraft be classified CMALICE. By virtue of the Soviets public display of the J-75 engine in Moscov, this requirement is no longer valid.
 - b. Subpersuraph 5g of CMAL-0982-60 recommended that "all CHALTON intelligence collection systems and the identities of manufacturers of these items; in particular our Rochester processing facility," remain classified CHALICE. Subsequent happenings have proven without a doubt that the Soviets possess the intelligence collection and aircraft protection systems involved in the 1 May 1960 overflight (B configuration essera, tracker, Systems 6 and 8 and Granger black box) in suitable condition to permit almost complete exploitation. It is inconsistent, therefore, to deny widespread utilization of this herdwere (which in many instances represents significant advancement in the state-of-the-art) to the United States defense community.

These items were originally classified CHALTON because their development was by CIA in conjunction with the U-2 program and because, in varying degrees, they were indicative of the mission. Through Project intervention, some of the hardware has been utilized in one form or another by other Department of Defence consumers; therefore, in those cases, the concepts, with suitable demonstration models and performance substantisting data, may be marketed at will by the suppleur without revealing their esseglation with the U-2 progress. However, in some instances, particularly in the case of the B configuration cemera, this has not been possible to date.

SECRE

Approved For Release 2002/09/03: CIA-RDP63-00313A000600060032-5

25X1C

It is believed that the U. S. defense community would benefit from the declassification of all hardware involved in the 1 May 1960 overflight from "CHALICK" to "SECRET," with contractual procedures, mechanisms and relationships to the U-2 program remaining "CHALICK."

This would permit the supplier to exhibit under the classification of SECRET the actual hardware, along with performance test data collected within the United States. They would not be permitted to reveal details of the contract. They would be permitted to state only that it was developed under a special contract with the Agency with details of the contract and relationships with other suppliers being withheld. It is realized that this procedure may in some cases imply affiliation with the U-2 program; however, it would have the advantage of protecting development and contractual methods which are applicable to future programs.

- 25X1C
- d. Subparagraph 51 of CHAL-0982-60 recommended that the photographic capability of the SAC 5-2 unit at Del Rio remain classified CHALICE. This requires the maintenance of an elaborate FOG procurement mechanism at Wright-Patterson AFB in addition to a requirement that a substantial number of participants in the SAC program be cleared BUE DATE by the Air Force and CHALICE by the Agency. The intelligence recommissumes capability of the U-2 aircraft has been compromised. There is no substantial advantage to the maintenance of this capability as CHALICE classified.
- 3. It is recommended, therefore, that the following represent a statement of those matters which continue to be classified CHALICE:
 - m. All former CHALICE activity.

25X1C

- c. Extent of past CHALICE activity (with the provision that the ARC may, in those instances where it serves the best interests of the U.S. defense community, release certain product information in a manner so as not to divulge complete details of the U.S. intelligence communities substantive exploitation of the CHALICE mission).
- d. United States Air Force participation in Project CHALICE including pilot rescultament procedures, reinstancement rights, SAC training and material support.

25X1C

- heckstopping procedures, in addition to the interrelationships of GRALICE suppliers (to include the processing facility at Eastman-Kodak). Actual CHALICE intelligence collection hardware is downgraded from CHALICE to SECRET to permit full exploitation of technical advances by the U.S. defense community.
- h. Intra-United States Government relationships in Project CHALICE activities.
 - i. All details concerning CHALICE operational concepts.
- J. Performance characteristics of the U-2 aircraft are downgraded from CHALIGE to SECRET.

STABLEY W. BEERLI Colonel, USAF Agting Chief, DPD-DD/P

Seeme

QUODITION Approved For Release 2002/09/03: CIA-RDP63-00313A000600060032-5

SHEFFIELD EDWARDS Dete Director of Security 15 JII 1960 25X1A Chief, CI Staff, DD/F Recommendations in Paragraph 3 are APPROVED: RICHARD M. BISSELL, JR. Deputy Director (Plans) Date 25X1A (2 July 1960) Distribution: 1 - SG, DPD-DD/P 2 - DD/P 3 - Dir. of Bec. h - AC/DPD-DD P 5 - C/CI Staff (A)- 20, DFD-DD/P

CONCURRENCE: